

8 March 1972

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MEMORANDUM FOR:
Chief, Far East Division

SUBJECT : Phung Hoang Cable

1. As I think you know, at the Sullivan Committee meeting on Friday, 3 March, I tabled a draft cable on the whole Phung Hoang advisory problem for consideration by the Committee prior to its being relayed to Saigon over Sullivan's signature as a Committee product. A copy of that draft is attached hereto. It almost gave John Arthur, AID's representative, a heart attack.

2. At the Committee meeting on Tuesday, 7 March, Arthur offered an AID-prepared counterproposal, a copy of which is also attached. Arthur said his draft had the blessing of Byron Engle and Robert Nooter; but Arthur stressed that it had not been endorsed by Mr. Hannah. Hannah, he said, might not go along and hence AID might have to back pedal furiously from its own prose.

3. This whole question is to be reviewed at the Committee meeting on Friday, 10 March. I would appreciate receiving your thoughts and preferences prior to the 10 March session. The AID draft moves in the right direction, though AID tries to hide somewhat behind the smoke screen of the words "Phung Hoang," a phrase which all the rest of us feel should be dropped. Dropping the phrase, however, does not solve the problem -- namely, how the GVN is going to cope

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with the continuing threat of serious subversion posed by the VCI, plus (particularly) how the U.S. should structure its own advisory and support effort to give the maximum amount of the right kind of assistance in a manner producing the most efficient use of U.S. resources.

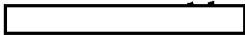


George A. Carver, Jr.
Special Assistant for Vietnamese Affairs

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Attachments A/S

cc: Mr. Colby

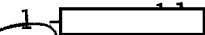


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